1991 discharge: EAGGF accounts

1995/2316(DEC) - 17/04/1996 - Text adopted by Parliament, single reading

In adopting the report by Mrs Eva KJER HANSEN (ELDR, DK), Parliament gave a discharge in respect of the EAGGF clearance of accounts for the 1991 financial year, subject to the following comments: - whilst the use of flat-rate financial corrections was a legitimate means of recovering funds from Member States, it did not reflect actual loss to the budget; - Parliament deplored the practice of treating the amount of financial corrections as negotiable between the Commission and the Member States, and considered that any such negotiation transforms a supposedly technical procedure into a political one. It observed that the most extreme example of a negotiable financial correction was provided by the case of the corrections made under the 1991 procedure relating to the application of milk quotas in certain Member States, which led to a massive loss to the Community budget. It believed that revisions of financial corrections on any other than technical grounds amounts to a budgetary decision which must therefore receive the prior assent of the budgetary authority; - Parliament recognized that the staff available to the Commission for clearance of accounts work was insufficient and called upon it to undertake a redeployment or come forward to the budgetary authority with an appropriate proposal; - it welcomed the creation of the EAGGF Conciliation Body but warned against its use as a forum for political negotiation or as a test-bed for possible recourse to the Court of Justice; - it asked the Commission to put in place methods by which a conciliation procedure could be introduced for the resolution of disputes relating to financial corrections; - finally, it pointed out that most of the defects apparent in the clearance of accounts procedure owed their existence to the nature of the Common Agricultural Policy itself and that the effective reform of this procedure depended on the radical simplification of the CAP itself.